

AR48

14

Combined Metal Mines Limited

BOYLEN

30th *Annual Report*

FOR THE YEAR
ENDED MARCH 31

— 1969 —

DIRECTORS

M. J. BOYLEN - - - - - TORONTO, ONTARIO
 PHILIP E. BOYLEN - - - - - TORONTO, ONTARIO
 CHARLES B. BRANNIGAN - - - - - TORONTO, ONTARIO
 D. W. GORDON - - - - - TORONTO, ONTARIO
 GORDON L. MOORE - - - - - ISLINGTON, ONTARIO

OFFICERS

M. J. BOYLEN - - - - - PRESIDENT
 PHILIP E. BOYLEN - - - - - VICE-PRESIDENT
 GORDON L. MOORE - - - - - SECRETARY-TREASURER
 CHARLES B. BRANNIGAN - - - - - ASSISTANT-SECRETARY

TRANSFER AGENT AND REGISTRAR

GUARANTY TRUST COMPANY OF CANADA
 Toronto, Ontario

AUDITORS

MCDONALD, CURRIE & CO.
 Toronto, Ontario

HEAD OFFICE

Suite 908 - 330 Bay Street
 Toronto, Ontario

Combined Metal Mines Limited

Directors' Report

TO THE SHAREHOLDERS:

The financial statements of the Company for the fiscal year ended March 31st, 1969, and notes relative thereto and the Report of the Auditors are presented for your consideration.

PROVINCE OF NEW BRUNSWICK

Your favourable property, which adjoins Brunswick Mining and Smelting Corporation Limited No. 6 orebody, has had only limited diamond drilling with encouraging lead and zinc values, and we contemplate further drilling this year. We have been endeavouring to get a deep drilling rig with an experienced crew to carry out this work, but so far have been unsuccessful. We expect that this will get underway during the last quarter of 1969.

PROVINCE OF ONTARIO

McGarry Township

The sixteen patented mining claims held by the Company in the Township of McGarry are maintained in good standing.

Uchi Lake Area, Red Lake Mining Division

Last January your Company acquired thirty claims in the Swain Lake Area of the Red Lake Mining Division. These claims covered a geological structure similar to that of Selco Exploration Company Limited farther to the south, where it is understood an orebody has been located and consideration is being given to bringing it into production. Since May your Company has had a crew of ten on the ground prospecting, line cutting and trenching, but only part of the area has been covered to date. Conditions are favourable and prospecting is continuing.

In conjunction with other companies working in the area, an airborne geophysical survey will be conducted over your property some time around the middle of September. The results of the airborne survey and the work being carried out during the balance of the field season will determine the value and potential of your claims.

VICTORIA ISLAND, NORTHWEST TERRITORIES

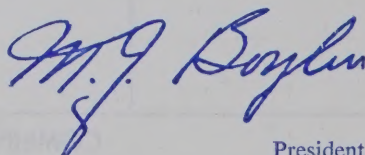
Your Company has a 10% interest in 1,080 claims on Victoria Island, Northwest Territories where major discoveries have been made this year on adjoining ground. Assessment work has been carried out on the claims in which your Company holds an interest.

GENERAL

Prospecting is taking place in other areas but no discoveries of importance have been found. However, work continues and we are hopeful of finding something of importance before the end of the current field season.

The shareholders gave approval at the general meeting held on July 24 for the pro rata distribution among the shareholders of 473,377 shares of Atlantic Coast Copper Corporation Limited. The Company has made application for supplementary letters patent which will permit distribution of the Atlantic Coast Copper shares. It is expected that the supplementary letters patent will be received shortly and it is intended to make the distribution of the Atlantic Coast Copper shares immediately thereafter to shareholders who are then of record.

On behalf of the Board,

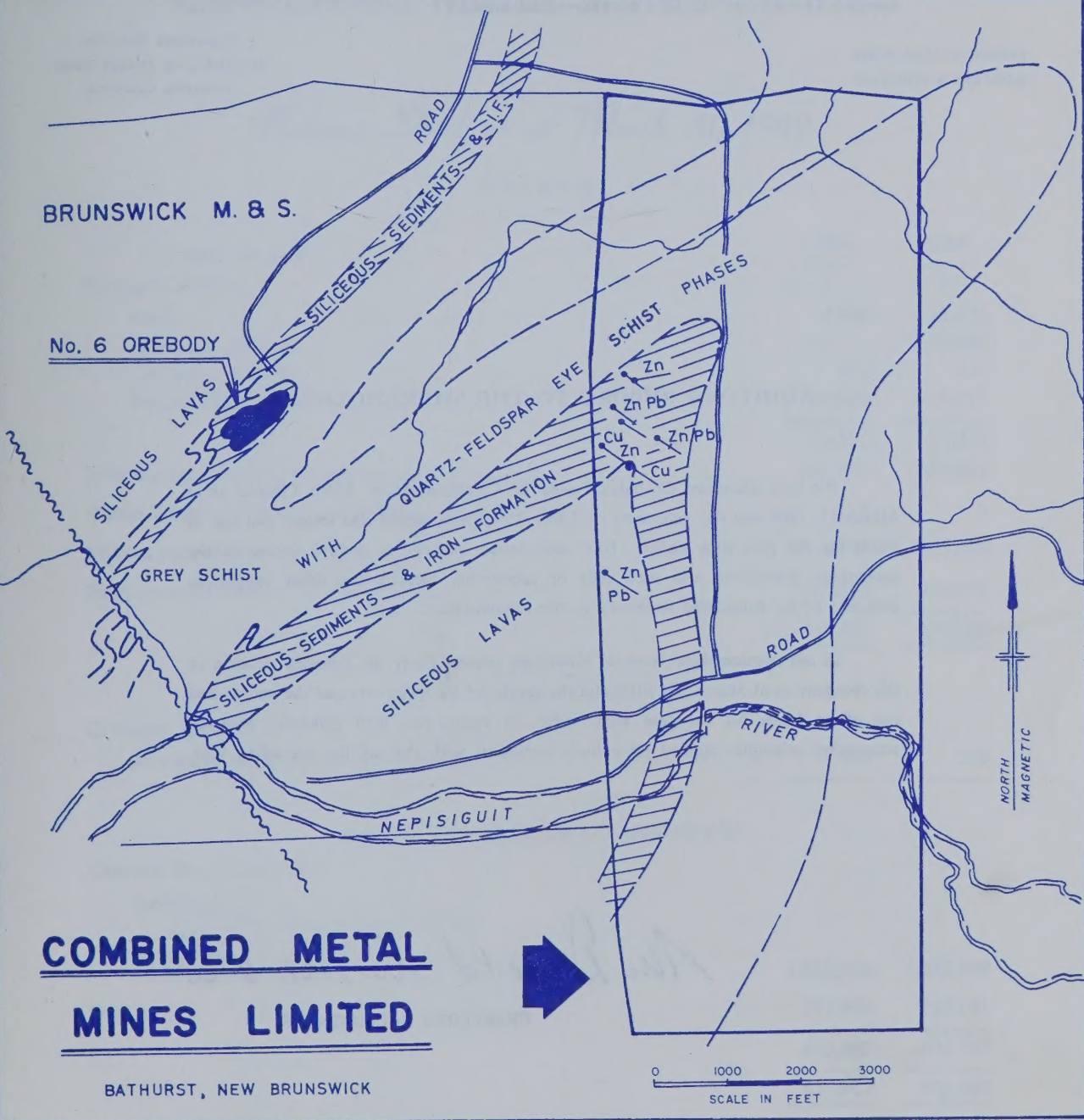


Toronto, Ontario,
August 11, 1969.

President.

BRUNSWICK M. & S.

No. 6 OREBODY



**COMBINED METAL
MINES LIMITED**

BATHURST, NEW BRUNSWICK

0 1000 2000 3000
SCALE IN FEET

MCDONALD, CURRIE & CO.

CHARTERED ACCOUNTANTS

INTERNATIONAL FIRM
COOPERS & LYBRAND

TELEPHONE 366-2551
120 ADELAIDE STREET WEST
TORONTO 1, CANADA

May 20, 1969

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Combined Metal Mines Limited as at March 31, 1969 and the statements of deferred expenses, deficit and source and use of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at March 31, 1969 and the results of its operations and the source and use of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

McDonald Currie & Co

CHARTERED ACCOUNTANTS

Combined Metal Mines Limited

Balance Sheet as at March 31, 1969

ASSETS

	1969	1968
	\$	\$
CURRENT ASSETS		
Cash	7,240	12,275
Short-term deposits	—	25,000
Accounts receivable	100	116
Prepaid expense	9,059	3,415
	<u>16,399</u>	<u>40,806</u>
INVESTMENT IN OTHER MINING COMPANIES (note 1)	357,231	357,231
OTHER INVESTMENTS — nominal value (no market value)	3	3
MINING PROPERTIES — at cost (notes 2 and 3)	226,741	217,690
DEFERRED EXPENSES — at cost (note 3)	275,513	260,057
	<u>875,887</u>	<u>875,787</u>

LIABILITIES

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	300	200

SHAREHOLDERS' EQUITY

CAPITAL STOCK (note 4)		
Authorized —		
3,500,000 shares of no par value		
Issued and fully paid —		
2,750,671 shares	1,612,668	1,612,668
DEFICIT	737,081	737,081
	<u>875,587</u>	<u>875,587</u>
	<u>875,887</u>	<u>875,787</u>

Signed on behalf of the Board:

M. J. BOYLEN, Director.

G. L. MOORE, Director.

Combined Metal Mines Limited

Statement of Deferred Expenses

For the year ended March 31, 1969

	Total to March 31, 1968	Year ended March 31, 1969	Total to March 31, 1969
	\$	\$	\$
DEFERRED MINE DEVELOPMENT EXPENSES			
Diamond drilling	138,055	—	138,055
Surface exploration	77,626	7,280	84,906
Assaying	3,307	—	3,307
Maps and blueprints	270	—	270
Mining licences and renewals	17,599	369	17,968
Taxes and fees	9,955	261	10,216
General expense	812	25	837
Surveys	20,724	—	20,724
Engineering and automotive equipment	2,911	—	2,911
	<u>271,259</u>	<u>7,935</u>	<u>279,194</u>
Less: Development expenses of abandoned claims	126,489	—	126,489
	<u>144,770</u>	<u>7,935</u>	<u>152,705</u>
DEFERRED ADMINISTRATIVE EXPENSES			
Advertising	2,756	101	2,857
Legal and audit	11,552	400	11,952
Interest and bank charges	8,413	3	8,416
Head office expenses	53,185	4,906	58,091
Office supplies	8,293	129	8,422
Postage	4,429	10	4,439
Listing fees	4,702	240	4,942
Telephone and telegraph	943	16	959
Transfer agent and registrar fees	25,426	1,067	26,493
Travel expenses	3,977	—	3,977
Capital and place of business tax	706	50	756
Bad debt expense	788	—	788
Directors' fees	1,950	2,000	3,950
	<u>127,120</u>	<u>8,922</u>	<u>136,042</u>
Less: Interest and rent	11,833	1,401	13,234
	<u>115,287</u>	<u>7,521</u>	<u>122,808</u>
TOTAL DEFERRED EXPENSES	<u>260,057</u>	<u>15,456</u>	<u>275,513</u>

Combined Metal Mines Limited

Statement of Deficit

For the year ended March 31, 1969

	1969	1968
	\$	\$
BALANCE — BEGINNING OF YEAR	737,081	737,080
Write-off of investment — Larmont Mines Limited	—	1
BALANCE — END OF YEAR	<u>737,081</u>	<u>737,081</u>

Statement of Source and Use of Funds

For the year ended March 31, 1969

	1969	1968
	\$	\$
SOURCE OF FUNDS		
Sale of surface rights	—	500
Interest and rent	1,401	1,708
	<u>1,401</u>	<u>2,208</u>
USE OF FUNDS		
Deferred mine development expenses	7,935	741
Deferred administrative expenses	8,922	6,671
Property acquired	9,051	—
	<u>25,908</u>	<u>7,412</u>
DECREASE IN WORKING CAPITAL	<u>24,507</u>	<u>5,204</u>
WORKING CAPITAL — BEGINNING OF YEAR	40,606	45,810
Decrease in working capital	24,507	5,204
WORKING CAPITAL — END OF YEAR	<u>16,099</u>	<u>40,606</u>

Combined Metal Mines Limited

Notes to Financial Statements

For the year ended March 31, 1969

1. Investments in other mining companies:	Shares — at cost \$	Market value \$
Nudulama Mines Limited — 5,000 shares	5,450	900
Northern Canada Mines Ltd. — 3,600 shares	7,935	3,960
Coniagas Mines Limited — 5,833 shares	15,050	2,975
Atlantic Coast Copper Corporation Ltd. — 500,000 shares*	328,714	265,000
Wesley Mines Limited — 820 shares	82	12
	<u>357,231</u>	<u>272,847</u>

*Because of the number of shares involved the amount which may be realized on disposal may be more or less than that indicated by present market value.

2. The company's mining properties consist of:
- (a) 16 mining claims in the Township of McGarry, Province of Ontario purchased on April 5, 1943 for 1,000,000 Highridge shares at 10¢ per share (which is equivalent to 111,111 no par value shares of Combined Metal Mines Limited) for a value of \$100,000.
 - (b) 1,250 acres under mining licence #850A in the Parish of Bathurst, County of Gloucester, Province of New Brunswick purchased on January 25, 1958 for the following:

Shares —	\$
190,910 New Highridge (equivalent to 63,636 Combined Metal Mines Limited)	76,364
Cash	40,909
Services	954
	<u>118,227</u>

(c) 10% interest in 1,080 Victoria Island Mining claims, purchased for cash of \$7,208.

(d) 30 mining claims in the Swain Lake Area and Honeywell Township, Red Lake Mining Division, purchased for cash of \$1,843.

3. The amounts shown for mining properties and deferred expenses represent costs to date and are not intended to reflect present or future values.
4. Since its incorporation on March 1, 1939 the company has issued the following shares:

	Number of shares	Net value \$
For cash	2,290,116	1,296,619
For services	25,110	17,599
For mining claims	435,445	298,450
	<u>2,750,671</u>	<u>1,612,668</u>

5. Subsequent to the year end, 363,777 common shares were issued for cash consideration of \$72,755 in a rights offering to all shareholders (except shareholders who reside in United States) on record as at March 19, 1969 which allowed the shareholders to purchase at 20 cents per share, one additional share from the treasury for every 5 shares held at that record date.

In addition, and by a separate agreement with an underwriter, 199,195 common shares were purchased from the company at 20 cents per share for a total cash consideration of \$39,839.

Combined Metal Mines Limited

11th Annual Report

For the year ended March 31, 1924

1. Statement of Assets and Liabilities

Assets

Fixed Assets

Current Assets

Liabilities

Capital

Reserves

Profit and Loss

Dividends

Interest

Income Tax

Other

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Total

Assets	Liabilities
Fixed Assets	Capital
Current Assets	Reserves
	Profit and Loss
	Dividends
	Interest
	Income Tax
	Other
Total	Total

The following table shows the results of the operations of the Company for the year ended March 31, 1924, as compared with the results for the corresponding year ended March 31, 1923.

2. Statement of Income and Expenses

Income	Expenses
Operating Income	Operating Expenses
Interest Income	Interest Expenses
Dividend Income	Dividend Expenses
Income Tax	Income Tax
Other Income	Other Expenses
Total	Total

The following table shows the results of the operations of the Company for the year ended March 31, 1924, as compared with the results for the corresponding year ended March 31, 1923.

3. Statement of Cash Flows

Cash	Debt
Operating Cash	Operating Debt
Interest Cash	Interest Debt
Dividend Cash	Dividend Debt
Income Tax	Income Tax
Other Cash	Other Debt
Total	Total

